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Held at Headquarters, New York, on Tuesday, 17 July 2012, at 3 p.m.

President: Mr. Percaya (Vice-President) (Indonesia)**Contents**Operational activities of the United Nations for international development cooperation (*continued*)

- (a) Follow-up to policy recommendations of the General Assembly and the Council (*continued*)
- (b) Reports of the Executive Boards of the United Nations Development Programme/United Nations Population Fund, the United Nations Office for Project Services, the United Nations Children's Fund, the United Nations Entity for Gender Equality and the Empowerment of Women, and the World Food Programme (*continued*)

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In the absence of Mr. Koterec (Slovakia), Mr. Percaya (Indonesia), Vice-President, took the Chair.

The meeting was called to order at 3:10 p.m.

Operational activities of the United Nations for international development cooperation (continued)

(a) Follow-up to policy recommendations of the General Assembly and the Council (continued)
(E/2012/79-A/67/93 and E/2012/80-A/67/94)

(b) Reports of the Executive Boards of the United Nations Development Programme/ United Nations Population Fund, the United Nations Office for Project Services, the United Nations Children's Fund, the United Nations Entity for Gender Equality and the Empowerment of Women, and the World Food Programme (continued) (E/2011/35, E/2012/5, E/2012/6, E/2012/14, E/2012/34 (Part II), E/2012/34/Rev.1, E/2012/34 (Part I)/Add.1, E/2012/36 and E/2012/L.7)

1. **Mr. Acharya** (Observer for Nepal), speaking on behalf of the Group of Least Developed Countries, said that United Nations operational activities must respond to the development needs of the programme countries, and particularly the least developed countries, which, because of their higher proportion of poverty and deprivation, were more dependent on the United Nations system. The system had a special responsibility to ensure full implementation of the Istanbul Programme of Action for the Least Developed Countries and to provide priority support to those countries, which would be unable to meet the Millennium Development Goals (MDGs) by 2015. United Nations entities should align and adapt their operational activities in response to current realities on the ground and emerging challenges.

2. The decline in core contributions and the widening imbalance between core and non-core resources should be reversed. Alignment with strategic priorities of the programme countries, horizontal accountability and utilization of national systems and institutions should make programmes effective and sustainable and build national capacity. He welcomed the Secretary-General's intention to launch a second generation of "Delivering as one" but stressed that much remained to be done; it was essential to enhance the coherence and coordination of initiatives and to harmonize business practices and governance

structures. Programme countries should be given increased access to the knowledge, expertise and skills of all non-resident agencies, including those with no regional, subregional or national presence and priority should be given to strengthening United Nations capacity to provide those countries with coherent, forward-looking policy options on new issues.

3. He agreed that coordination costs should be shared among relevant United Nations agencies and suggested that the Council should consider how to reduce the financial burden on small agencies. Efforts to realize cost savings by streamlining preparation, monitoring and reporting on United Nations Development Assistance Frameworks (UNDAFs) and country programmes should be continued.

4. South-South cooperation had great potential as a complement to, not a substitute for, North-South cooperation and should be enhanced. It would play an important role in building the productive capacity of the least developed countries. The United Nations system should improve the coherence and coordination of its support through the use of joint programmes, multi-country initiatives, stronger multilateral funding, coordination mechanisms and entities and financial support.

5. **Mr. Errázuriz** (Chile), speaking on behalf of the Community of Latin American and Caribbean States (CELAC), said that despite progress towards the MDGs, the countries of his region were aware that the international economic and financial crisis constituted a threat to their legitimate aspirations for social inclusion, equitable growth, sustainable development and integration. Despite their different capacities and needs, they were all developing countries, most of them middle-income, and were working hard to build just, inclusive societies, eradicate poverty and improve their people's standard of living. The region had a unique trust in the legitimacy and relevance of the United Nations and was therefore following with great interest the preparations for the next quadrennial comprehensive policy review. That process should be guided by the need to take action-oriented decisions, avoid excessive bureaucracy and enable Member States to help the United Nations development system to fulfil its ambitious mandate.

6. In that context, he stressed the importance of ensuring greater consistency between the strategic frameworks developed by United Nations agencies,

funds and programmes under the leadership of national authorities while maintaining the institutional integrity and organizational mandates of each entity and of national poverty reduction strategies. The quadrennial review must preserve the universal presence of the Organization's funds and programmes, at the request of the developing countries, and ensure their capacity to deliver services in a manner consistent with each country's priorities and plans. CELAC was therefore particularly concerned about the elimination of some country offices and teams and of the programmatic presence of many funds and programmes, particularly in Latin America and the Caribbean. While the least developed and post-conflict countries had special needs, limiting the activities of the funds and programmes to a specific group was contrary to the principles underlying the operational activities of the United Nations and was thus detrimental to their legitimacy.

7. A strengthened presence in a vast array of developing countries would enable the system to benefit from successful projects that could be replicated in other countries at the latter's request, engaging South-South cooperation as an almost infinite source of knowledge, good practices and effective solutions rather than a substitute for shrinking North-South resources. CELAC was also concerned about the reduction of official development assistance (ODA) allocations and the growing gap between core and non-core resources. The quadrennial review would be an opportunity to consider specific ways of dealing with that imbalance by stimulating contributions and increasing the alignment, coherence and governance of non-core resources.

8. Innovative ways to give developing countries a stronger voice and allow them to participate more effectively in the decision-making structures of the United Nations development system, including the executive boards and governing councils of the funds and programmes, were needed. The quadrennial review should enhance the capacity of the United Nations development system to support Member States' efforts to achieve sustainable development pursuant to the commitments made at the recent United Nations Conference on Sustainable Development (Rio+20), and the funds and programmes should integrate the mandates contained in the outcome document of that Conference ("The future we want") into the political guidance of the review.

9. **Mr. Wetland** (Observer for Norway), speaking also on behalf of Denmark, Finland, Iceland and Sweden, said that the Nordic countries regarded the United Nations as an indispensable international development and humanitarian actor and were endeavouring to make it as efficient and effective as possible. The pilot phase of the "Delivering as one" initiative was over and the time had come to define a strategic, results-oriented "One United Nations" as the primary approach for the Organization at country level.

10. In order to ensure greater accountability, effective delivery and maximum results on the ground, there must be a clearer strategic focus and better results frameworks, monitoring, reporting and evaluation. Strategic plans for the period 2014 to 2017 should, to a greater extent, include strategic priorities based on the respective agencies' comparative advantages. Budgets should be results-oriented, the harmonization and simplification of business practices should be intensified and the UNDAF should be made more strategic. Stronger headquarters leadership and promotion of "Delivering as one" principles was key; the fragmentation of the United Nations system could not be overcome in a bottom-up process. There was also a need to strengthen United Nations leadership, including the authority of the resident coordinator, at the country level. In selecting candidates for that post, greater emphasis should be placed on skills and experience that corresponded to the challenges in the country in question, and incentive structures should be improved in order to attract more qualified applicants.

11. Core funding was essential for operational activities. The high level of strictly earmarked non-core funding that currently underpinned those activities increased the fragmentation of the United Nations development system. As non-core contributions were unlikely to disappear, their quality must be improved. Soft earmarking at the programme or sector level would reduce transaction costs and make it easier for the development system to implement the strategies agreed by the governing bodies of the respective agencies in a more coordinated way. The United Nations should be able to leverage the potential of partnerships with new actors in the development field. A structured dialogue in the governing bodies of the respective agencies on how to finance the desired results during a specific period would result in more adequate and predictable funding and establish a

broader base for the core funding of operational activities.

12. The comparative advantages of the United Nations made it an important actor in fragile and conflict-affected countries; at the same time, however, it was subject to more stringent control mechanisms and to a higher demand for results. Increased focus on such situations further underlined the need for better integration and collaboration among the various players. Risk assessment and management should be discussed with a view to elaborating a joint framework. Stakeholders in programme countries had high expectations regarding the United Nations development system's ability to support their human rights and equity agendas. Because of the close relationship among human rights, peace and security and development, reflected in the interconnected mandates of the Organization, the United Nations development system should take a rights-based approach to development on the ground. And because gender equality and women's empowerment were preconditions for and drivers of sustainable development, the establishment of the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women) should be followed by further efforts to integrate the gender perspective into all parts of the United Nations system.

13. **Mr. Baxter** (Australia) said that over the next four years, Australia's allocation of core funding to its main United Nations partner agencies would almost double: it would provide over \$125 million to the United Nations Development Programme (UNDP) and \$177 to the United Nations Children's Fund (UNICEF) and would significantly increase its contributions to UN-Women, the World Food Programme (WFP), the United Nations Population Fund (UNFPA) and the Office of the United Nations High Commissioner for Refugees (UNHCR). In 2011, it had increased its contributions to trust funds, including One United Nations, sixfold — to nearly US\$35 million — making it the fifth largest bilateral donor to such funds.

14. United Nations agencies should improve the performance of their development operations on the ground, demonstrate stronger coherence, efficiency and effectiveness and show donors and programme countries value for their money. The quadrennial comprehensive policy review offered an opportunity to institutionalize critical reforms in four areas: results,

leadership, coordination and coherence, and inclusive development.

15. Results-based strategic planning and management must be improved at the agency and system-wide levels; the UNDAF results matrices must be strengthened; results should be built into decision-making and communicated to all stakeholders; indicators and reporting frameworks should be harmonized; capacity-building for staff should be a focus; and monitoring and evaluation systems should be improved, particularly at system-wide level.

16. United Nations leadership at the country level should be strengthened, including by empowering resident coordinators as a practical way to build coherence. Full implementation of the management and accountability system by country teams was an essential step, as was improvement of mutual horizontal accountability, particularly between the resident coordinator and country team members. The capacity of resident coordinators' offices, particularly in monitoring and evaluation, results-based management and statistics, should be strengthened and they should be equipped and helped to fulfil their responsibilities, including in the area of humanitarian coordination.

17. Tools for improving coordination and coherence at the country level must be streamlined and standardized across the United Nations system. Independent evaluation of "Delivering as one" had demonstrated the value of reforms at the country level and the move towards joint programming, joint action plans and common budgetary frameworks, as well as the leadership of the pilot and self-starter countries in formalizing those processes across the system, were welcome. However, the remaining bottlenecks to reform should be removed. The United Nations system should be accountable for results at the development assistance framework level; joint programmes should be approved only once, not by each Executive Board; and a system-wide governance mechanism was needed in order to avoid fragmentation of accountability. Funding at the country level should be predictable, flexible and linked with strategies and plans and a plan for sustainable funding of coordination by the system must be worked out. Simplification and harmonization of business practices across the funds, programmes and specialized agencies was urgent.

18. An inclusive, equity-based approach to development should be an explicit objective of the United Nations development agenda. Gender mainstreaming had been improved, but much more work was needed. Little had been done to mainstream the needs of the estimated 1 billion persons with disabilities, 80 per cent of them in developing countries, into the work of the United Nations. The quadrennial review offered an opportunity to strengthen equitable access to development, build consensus for United Nations reform and strengthen the role of the United Nations in eradicating poverty and building a sustainable future.

19. **Ms. Anderson** (Ireland) said that the fact that a significant majority of stakeholders surveyed had agreed on the centrality of gender equality and women's empowerment to the work of the United Nations should be fully reflected in the General Assembly's resolution concluding the 2012 quadrennial review. The resolution should also reaffirm the leadership and coordination role and system-wide mandate of UN-Women without diminution of responsibility and accountability on the part of other constituent elements of the Organization; the need for focus must be balanced with the need for mainstreaming.

20. A second priority was improving development effectiveness. The key lessons learned from the independent evaluation of the "Delivering as one" pilot initiative should be reflected in the resolution; the ideal was a light process that delivered significant results. Given the structural tension in a system that called for collective results but measured and rewarded entities on an individual basis, there was a need to consider how "Delivering as one" could be used to incentivize collective effort.

21. Rising inequality within and among countries was a third concern; the equity approach being developed by UNICEF should lead to a major rethinking of development programmes.

22. Lastly, the needs of post-conflict countries must be better addressed; the high level of resources that the United Nations system currently committed to those countries must be maintained and the gap between theory and practice closed. It was well established that sequencing did not work; peacebuilding and development needs must be addressed from the outset of a conflict and silos must be broken down so that

political, developmental and human rights work could be mutually reinforcing.

23. The quadrennial review resolution offered an opportunity to attempt the application of a more coherent peacebuilding perspective to all United Nations efforts in post-conflict countries. Framed in the current challenging environment, the resolution would need to respond to increasing human needs and to the correspondingly higher expectations imposed upon the United Nations.

24. **Mr. Alimov** (Russian Federation) said that his country considered the quadrennial review process to be the quintessential source of political guidance for the United Nations system. In that context, the review should confirm the fundamental principles underlying United Nations operational activities, including the requirement that they be comprehensive, voluntary, neutral and de-politicized. Cooperation could not be effective and sustainable unless it was based on a multilateral and flexible approach that took the needs of programme countries into account.

25. Member States should confirm the findings of the independent evaluation of the "Delivering as One" initiative on a system-wide level; it was essential to conduct a cost analysis of its implementation in pilot and self-starter countries. His delegation was in favour of maintaining the mandates and organizational independence of the funds and programmes since the process of achieving system-wide coherence should not negate the competitive advantages of individual agencies. It was therefore vital that their representatives in programme countries should broaden their cooperation with the resident coordinator system; in that context, he would welcome a discussion of the way in which the coordination mechanism and, in particular, the resident coordinators' offices were funded.

26. The manner in which operational activities were financed deserved a separate discussion with an emphasis on ensuring the predictability, stability and adequacy of such financing. To that end, increasing the share of core resources, which covered the normal functioning of operational agencies and the implementation of their mandates, was essential. A number of innovative financing mechanisms, including multilateral and thematic funding, could play a vital role in mobilizing resources without displacing traditional forms of financing.

27. New trends in the financing of operational activities were emerging, owing in part to the growing donor potential of developing countries. The Russian Federation was an active participant in discussions concerning the development of middle-income countries, many of which had become both aid recipients and donors in their own right. Given the diversity of middle-income countries, it was not appropriate to place them in a separate category and when planning operational activities, agencies should give priority to the countries that were most in need, particularly the least developed countries and those with the lowest incomes. The varied requirements of middle-income countries called for flexible forms of cooperation, but the leading role in determining the nature of that cooperation should rightfully belong to the recipient Governments. Lastly, the task of strengthening United Nations development cooperation called for greater consensus and coordination among the various agencies, as well as objective evaluation of the effectiveness of operational activities.

28. **Mr. Seger** (Switzerland) said that the experiences of the past five years had confirmed the need for the developing countries and their Governments to be the leaders in development cooperation efforts. The principle of national ownership implied that the United Nations had the duty to provide countries with their preferred operational modalities and, because every situation was different, there should be greater reliance on local actors. Harmonization, particularly of reporting, monitoring and evaluation systems, was not a goal but a method for achieving common objectives and should be facilitated by agencies at the headquarters level.

29. The quadrennial review would offer an opportunity to pinpoint the importance of the role of the operational system in addressing certain local and global challenges. Coordination of the various actors in the system was especially important in the case of countries in post-crisis transition. It was also central to ensuring equality of opportunity and promotion of the role of women, a subject that should be dealt with in a cross-cutting, coordinated manner system-wide.

30. Lastly, special attention should be paid to funding since 63 per cent of the total resources of the United Nations system were used for operational activities for development. Pragmatism and incentives for the system and for Member States were necessary.

31. **Mr. Silberberg** (Germany) said that the quadrennial review offered an opportunity to implement the green economy and sustainable development decisions taken at Rio+20 and to ensure that United Nations entities mainstreamed sustainable development into their operations, strategic plans and programming through sustainable facility management and procurement. Recalling the principles confirmed at the fourth Organisation for Economic Co-operation and Development (OECD) High-level Forum on Aid Effectiveness, held in Busan in 2011, he stressed that the General Assembly should use the review to align the results frameworks of the United Nations agencies; to ensure that they had a clear, measurable and operational focus on objectives at the outcome and impact levels; and better link strategic plans and results frameworks, taking the views of programme countries into account.

32. United Nations agencies should be directly accountable for their outputs and should demonstrate more clearly their contribution to outcomes and impact at the country level. Ways of measuring the overall system contribution to development results should be studied. A strong, results-based management culture was also needed. Providing the right incentives was key in bringing about cultural change. He therefore welcomed the UNDP Agenda for Organizational Change, which sought to refocus incentive systems towards quality and results and away from resource mobilization targets.

33. The sustainability of the "Delivering as one" process must be enhanced and it must become the standard model for the United Nations system. The one leader, one programme, one budget and, where appropriate, one office approach should be institutionalized as the main operating approach at the country level with due consideration for country contexts and with recognition that one size did not fit all.

34. His delegation looked forward to the results of the ongoing cost-sharing review and was of the view that since coordination was an integral part of the core business of the United Nations system, it should be financed by the system itself.

35. **Ms. Dunlop** (Brazil) said that in order for the United Nations to be a relevant partner of developing countries, its operational activities must be present on the ground in those countries; the capacity of funds and

programmes to better support national efforts and offer solutions depended on their familiarity with each country's specific challenges and their ability to offer the best solutions required them to be familiar with various development scenarios and to know what had and had not worked in similar situations. Broadening their presence would allow them to better facilitate South-South cooperation and thus to benefit least developed and post-conflict countries. While each agency, fund and programme had its own comparative advantages, they also gained from a shared strength: the multilateral and politically unbiased nature of the United Nations system. Member States must be empowered to participate fully in all decision-making structures, particularly the executive boards of funds and programmes.

36. The differing challenges and capacities of the developing countries had a bearing on the kind of assistance that United Nations operational activities could and must offer. A significant part of the challenges presented by the current funding situation stemmed from the lack of flexibility created by non-core contributions; thus, the main challenge was the growing imbalance between core and non-core resources. Earmarked contributions limited the predictability of operational and administrative budgets, imposed excessive rigidity, diverted attention from strategic plans and national priorities and disregarded the formal governance structures of operational activities. Initiatives should provide incentives for contributions that were better aligned with the priorities of Governments and those of the funds and programmes and were more consistent with the nature of operational activities. More development cooperation and a development system that was relevant, present, flexible, capable and responsive to the mandates of Member States were needed.

37. **Mr. Maza Martelli** (El Salvador) said that United Nations operational activities for development must remain global, voluntary, multilateral and neutral. He hoped that the quadrennial review would lead to ambitious results with respect to coordination of the work of United Nations agencies on the ground, exchange of best practices and cross-cutting issues in order to better coordinate United Nations development system support for national efforts, including with respect to the MDGs. The review would provide important guidance for efforts to adapt activities to changes in development cooperation and to improve

effectiveness and efficiency. It should also give the resident coordinators a clearer mandate and strengthen their coordination role, enable their offices to facilitate national ownership of development processes and reduce operating costs for Governments. Operational activities must be provided with sufficient financial resources to produce results on the ground and, in light of the serious imbalance between core and non-core funds, to support South-South and triangular cooperation. The middle-income countries had made significant economic progress but still needed access to United Nations cooperation, experience, knowledge and technical assistance. The presence of the funds and programmes should be maintained and their role should be strengthened.

38. The regional teams of the United Nations Development Group (UNDG) should be strengthened as they had the knowledge and capacity to provide strategic, programmatic and technical guidance in support of resident coordinators, country teams and national priorities, especially in the context of Rio+20 implementation and the development agenda beyond 2015. Joint programming by United Nations agencies could simplify and harmonize the programmatic and operational activities and better support national development plans and strategies. In that connection, his Government intended to pursue the "Delivering as one" initiative and supported other initiatives aimed at improving the efficiency and coherence of the United Nations system.

39. **Mr. Laguna** (Mexico) said that South-South, triangular and traditional cooperation were tools for his country's long-term development. One of the priorities of international cooperation should be the promotion of institutional and human capacity at the national level, particularly in the least developed countries. To that end, it was also important to increase access to cooperation, financing and trade by all countries, particularly middle- and low-income countries. Knowledge-sharing was a useful strategy for linking donors in the North with partners in the South, chiefly through triangular cooperation; his Government was committed to building policy implementation and public resource management capacities and the United Nations system should help to strengthen the links between the Organization, Governments, civil society, non-governmental organizations (NGOs) and the private sector in the search for innovative solutions in the areas of cooperation, making the best use of the

available resources, avoiding duplication and strengthening the impact of activities.

40. **Ms. Khampa** (India) said that it was important to take into account the impact, on people living at subsistence level, of decisions regarding the use of scarce natural resources such as land, water and forests. For developing countries, inclusive growth and a rapid rise in per capita income were critical development imperatives. Thus, poverty eradication should be the primary objective of United Nations operational activities for development. The quadrennial review process should reflect the centrality of gender equality and women's empowerment in the development discourse and would offer an opportunity to facilitate the development of a policy framework conducive to the achievement of those goals.

41. Developing countries had their own needs and context-based requirements, to which the United Nations development system must respond by harmonizing its activities with the budgets and development plans and priorities of recipient Governments, bearing in mind the principle of national ownership and leadership. The global economic slowdown had adversely affected development financing and the plans of national Governments. Curtailed capital flows, economic slowdowns and increased programming requirements made it all the more critical to increase ODA, promote investment and trade and seek expanded, innovative financing for development activities. More system support for South-South cooperation was needed and such cooperation must supplement, not substitute for or dilute, North-South cooperation. United Nations operational activities for development should build national and local capacities, strengthen networks for sharing knowledge and best practices and promote national ownership.

42. **Mr. Sul Kyung-hoon** (Republic of Korea) said that the entrance into a new development phase, with mandated establishment of new sustainable development goals, would require mobilization of the operational arm of the United Nations development system in order to accelerate progress towards the MDGs through the upcoming quadrennial review. Hard-won development gains were being threatened by the ongoing economic and financial crisis and while it was encouraging to note that more, and more diverse, actors were becoming involved in development cooperation, there was a concomitant risk of

fragmentation and duplication. South-South and triangular cooperation offered an opportunity for more effective development cooperation, but its volume posed challenges of coordination and efficiency.

43. His delegation believed that the quadrennial review should take a broader, longer-term perspective so that it could help the United Nations development system to implement its mandate, promote sustainable development and set the development agenda beyond 2015. The review should make specific recommendations designed to facilitate the active engagement of the United Nations system with all development actors and should interact with other important entities and partnerships. Institutional frameworks should be strengthened to allow the system to work in a coordinated and coherent way with the international financial institutions, the Group of 20 and other global partnerships for development cooperation.

44. The system-wide coherence of United Nations development activities required continued enhancement. The "Delivering as one" initiative should be integrated into operational activities by strengthening the role of the resident coordinators, establishing clear horizontal accountability in country teams, establishing concrete, clear standard operating procedures, further harmonizing the business practices of each agency and expanding the use of common country programming. The review should also focus on facilitating a coherent transition from relief to development in countries affected by conflicts and natural disasters and should address the issue of how to secure and train qualified humanitarian coordinators, whose coordination role should be strengthened to ensure country-level coherence.

45. The growing imbalance between core and non-core resources should be addressed during the review and greater efforts should be made to enhance efficiency. Flexibility in the use of non-core resources should be permitted and the current fragmentation should be overcome. Such efforts would restore confidence in the United Nations system, which would ultimately help to correct the imbalance.

46. **Ms. Ritchie** (United Kingdom) said that since the 2007 triennial comprehensive policy review, the United Nations development system had become more coherent and coordinated at country level with the "Delivering as one" approach adopted by approximately 30 countries. The next quadrennial

comprehensive policy review cycle would be critical and it was imperative that the General Assembly should provide clear leadership and direction to the agencies in their efforts to implement the outcomes of recent conferences, including Rio+20 and the "Delivering as one" conferences, and the Secretary-General's five-year action agenda.

47. The review should reflect the commitment by the United Nations to the results agenda adopted at the Fourth High-level Forum on Aid Effectiveness and provide the leadership required in order to implement it. The funds, programmes and specialized agencies should continue to strengthen and improve the quality of results-based management with a view to effective monitoring, evaluation and management of results, including through evidence-based strategic plans supported by frameworks covering the entire results chain. The review should encourage agencies to increase transparency concerning administrative and other costs in order to further improve procurement practices and should instil a culture of cost and value awareness. His Government was committed to increasing information about the aid that it provided and expected United Nations agencies to do so as well.

48. Lastly, the review offered an opportunity to frame the critical role of the United Nations development system in disaster resilience, transition and development. There should be greater focus on planning and programming, with particular attention paid to the administrative barriers and lack of harmonization among agencies that prevented an effective transition from humanitarian support to early recovery and development.

49. The High-Level Conferences on "Delivering as one" that had been held in Montevideo and Tirana had shown strong support for the initiative among participating Member States. "Delivering as one" had facilitated national ownership and leadership of United Nations country activities and should be reflected in the quadrennial review. In that connection, full implementation of the management and accountability system was essential to enable resident coordinators to position the United Nations as an effective and efficient operator at the country level. Agency leaders should drive forward the changes that enabled the harmonization of business practices.

50. **Mr. León González** (Cuba) noted that operational activities were unique in that they were

conducted only in developing countries and involved the work of various agencies, funds and programmes. For that reason, particular attention should be paid to the ideas proposed during the quadrennial review; unwarranted pressure should be avoided and the implications of activities for the programme countries and for the United Nations system should be carefully considered. The decisions taken should be based on General Assembly resolutions 62/208 and 64/289; the fundamental principles and features governing operational activities should be reaffirmed and should not be renegotiated.

51. During the current economic and financial crisis, the United Nations development system should provide more effective support for Government efforts to eradicate poverty and achieve sustainable development and should respect the principles of universality, neutrality, voluntary action and alignment with the plans and priorities of the programme country, bearing in mind that one size did not fit all. The individual experience of each agency, fund and programme in its work on the ground should be recognized and an increase in the effectiveness, coherence and impact of their activities should be promoted by providing a steady, predictable increase in resources.

52. It was incumbent upon donor countries to reverse the trend towards the reduction of core funding, which was the basis for the financing of operational activities for development, and to ensure the unconditional availability of those funds to the developing countries. The challenges and needs of different groups of countries, including the middle-income countries, should be taken into account.

53. Leadership and full participation by the national authorities of the developing countries was essential in the preparation and implementation of all planning and programming documents, including the UNDAF. His delegation would follow with interest the evaluation of the "Delivering as one" initiative, which had been implemented as a pilot project on a voluntary basis in a limited number of countries. The quadrennial review must reflect the diversity of existing development modalities, which must be implemented at the request of the country in question and without conditions.

54. There was no need to review the existing mandate and responsibilities of the resident coordinators; however, better training, selection and geographical representation could help to improve their work. At the

same time, the mandates, characteristics, resources and leadership of each agency at the country level must be respected.

55. The quadrennial review should strengthen the intergovernmental nature of the United Nations and its agencies, funds and programmes and its outcome should ensure that the system did, in fact, meet the needs of the developing countries and that it was evaluated based on its contribution to Government efforts to eradicate poverty and achieve sustainable development.

56. **Mr. Eriza** (Indonesia) said that development activities must be country-driven and must respect and be based on national development priorities. National ownership of the development process must be acknowledged and respected at all times. The quadrennial review should ensure that development programmes were fully implemented and that the effectiveness of the United Nations system was not eroded.

57. Development activities in the field were being transformed by the changing dynamics of international development cooperation as a result of the recent financial, energy and food crises, compounded by climate change. Several developing countries had graduated to middle-income status and had thus become providers, not recipients, of development assistance and technical cooperation. However, some of them still suffered from poverty, hunger, overpopulation, insufficient educational opportunities, the unmet needs of women, children and other vulnerable groups and limited institution-building. And although South-South cooperation was having a positive effect on international development cooperation as a mechanism for capacity-building, knowledge-sharing, technology transfer and regional integration, developing countries, including some middle-income countries, still required international assistance if they were to have any realistic hope of achieving the MDGs by 2015.

58. The quadrennial review process must therefore be viewed within a broader context that was not tied solely to operational activities for development. United Nations system support for nationally determined development goals was critical for the continued economic progress of the developing countries. The imbalance of funding sources contributed significantly to the lack of coherence within that system and

challenged its effectiveness in implementing the development priorities of developing countries.

59. **Mr. Rishchynski** (Canada) said that, despite tight fiscal conditions, his Government had maintained its core funding to the funds and programmes of the United Nations, increased its contribution to UN-Women and contributed to both the One United Nations Fund and the H4+ partnership between the World Bank, the United Nations Children's Fund, the World Health Organization, the United Nations Population Fund and the Joint United Nations Programme on HIV/AIDS. Despite demonstrating stronger coherence, efficiency and effectiveness in its operational activities, the United Nations still needed to improve its performance on the ground. He therefore welcomed the incorporation of the views of key stakeholders into the report of the Secretary-General on the quadrennial comprehensive policy review of operational activities for development of the United Nations system (E/2012/79-A/67/93).

60. United Nations leadership should be strengthened at the country level by fully implementing the management and accountability system. Mutual accountability among country team members should be solidified and supported by proper incentives, both horizontally at the country level and vertically within individual entities, and the resident coordinator should possess the competencies needed to deal appropriately with the full range of United Nations activities, including humanitarian coordination.

61. The United Nations should be able to demonstrate value for the resources invested. While there had been progress in strengthening results-based management since the 2007 triennial comprehensive policy review, results should be harmonized across entities in order to facilitate system-wide reporting and communication, particularly in programme countries. United Nations entities should also invest in staff capacity-building, improve monitoring and evaluation systems and provide appropriate incentives for the establishment of a results-based culture.

62. He commended the "Delivering as one" pilot and self-starter countries for demanding continuous improvements across the United Nations system and welcomed the trend towards joint programming, joint action plans and common budgetary frameworks with a single platform for review and approval of common country programmes. However, that approach should

be adopted on a voluntary basis. The system-wide action plan for gender equality and women's empowerment and the UNDAF guidelines should be fully implemented and the gender equality scorecard should be strengthened. During the quadrennial review, Member States should focus on finding ways to improve United Nations operations on the ground and to ensure that the Organization was an effective and attractive partner for both traditional and new donor countries.

63. **Mr. Takahashi** (Japan) said that United Nations operational activities for development must respond to the needs of programme countries in a flexible manner and with full respect for the principles of national ownership. The development system should be people-centred, comprehensive and multisectoral in order to meet real needs on the ground. He welcomed the tangible progress made under the "Delivering as one" initiative and fully supported the bottom-up approach. The resident coordinator system should be strengthened in order to more effectively support the development- and humanitarian assistance-related activities of the United Nations.

64. His delegation shared the view, expressed in the report of the Secretary-General (E/2012/79-A/67/93), that the development landscape was changing, and so too should development cooperation. From a strictly North-South endeavour, development cooperation had evolved to include South-South cooperation and new partners, such as emerging economies and the private sector. It was therefore necessary to establish a new global development partnership that included both traditional and new stakeholders as a backdrop for the quadrennial review.

65. The report of the Secretary-General on the analysis of the funding of operational activities for development of the United Nations System for 2010 (E/2012/80-A/67/94) should not have included the thematic funds of entities, multi-donor trust funds, the One United Nations Fund and programme- and project-specific contributions together under the "non-core" label; they should be analyzed according to their individual characteristics.

66. Japan's single-donor and programme- and project-specific contributions were aligned with the priorities of the programme country, were formulated as joint efforts between its embassies and the country offices of funds and programmes and often responded

to specific needs of the programme countries. The benefits of such an approach should not be overlooked during discussions on the "fragmentation" of resource flows for the United Nations system.

67. **Mr. Warraich** (Pakistan) said that, despite the changing development cooperation landscape, traditional multilateral and bilateral development assistance should be increased, not outsourced or privatized. The effectiveness, coordination and coherence of the United Nations development system had improved, albeit at a cost. Nonetheless, programme countries should continue to have access to the knowledge and experience of the non-resident agencies on a fair cost-sharing basis.

68. At the country level, the United Nations agencies and the Bretton Woods institutions should deepen their engagement with resident coordinators in order to enhance mutual cooperation and improve alignment with the development priorities of programme countries. To ensure national ownership of development programmes, the United Nations must use national implementation mechanisms and other modalities in building capacity in programme countries; execution modes should be used only as an exception and with the prior approval of the Governments concerned. Country reports and analyses should be prepared in consultation with the relevant national authorities.

69. As one of the "Delivering as one" pilot countries, Pakistan had seen some improvement in the national ownership of its development programmes. However, its experience had not been entirely successful because issues such as fragmentation, monitoring and evaluation, competition for funds, multiplicity of reporting lines, the development impact of projects, donor confidence and support for the "Delivering as one" initiative had not been addressed.

70. The continuing imbalance between core and non-core funding remained a cause for concern. The United Nations should identify the core competencies of its development system and highlight its comparative advantages and efficiency in order to attract the necessary resources.

71. **Mr. Toro** (Chile) said that the scope of the effort to improve the coherence, effectiveness and impact of United Nations operational activities for development was reflected in the fact that 37 entities were involved in the quadrennial review and that contributions for

activities had amounted to \$23 billion in 2010. The 2012 review would take place in a different international environment from that of the 2007 triennial comprehensive policy review owing to the international financial crisis, the decrease in funding from developed countries and the growing importance of South-South cooperation and innovative financing mechanisms. The Organization's shrinking resource base was evident not only in the reduction of ODA allocations for 2011, but also in the decline of regular resources provided by the OECD Development Assistance Committee (OECD/DAC) countries during the biennium 2010-2011. The quadrennial review must therefore focus on the need for modern, efficient and effective resource management and strengthened accountability.

72. Middle-income countries, which accounted for 70 per cent of the world's poor, had been able to improve their productive sectors sharply; however, they continued to face the challenges of poverty and inequality. The United Nations could help those countries to overcome those challenges through a sustainable development framework that reflected the economic, social and environmental issues emphasized at Rio+20. The goal of the resident coordinator system and UNDAF was not only to enhance the alignment of United Nations operational activities for development with the development policies of the host country, but also to improve coherence, effectiveness and efficiency from the outset of the process.

73. The 2012 review should send a clear signal that the resident coordinator system should be strengthened and should not be dependent on the personality of the incumbent. Aspects of the system that were not working properly should be changed, including by laying the groundwork for the establishment of a comprehensive resident coordinator system and functional firewall. The problems that prevented the UNDAF from functioning equally well in all countries should be identified and examined in a report by the Secretary-General.

74. His delegation endorsed the management and accountability system and supported the concept of mutual accountability within United Nations country teams. It was, however, concerned that the funds and programmes had still not implemented many aspects of the 2007 triennial comprehensive policy review, such as the definition of the concept of a "critical mass of core resources".

75. **Mr. Nakonechnyi** (Ukraine) said that the United Nations system had enhanced its coherence and functioning since the 2007 triennial comprehensive policy review despite its limited resource base and growing demands for more varied assistance. His delegation agreed with the Secretary-General that the Organization should adapt to the changing development landscape and welcomed the "Delivering as one" initiative, which had demonstrated the efficiency and effectiveness of the United Nations development system on the ground.

76. He was pleased that overall funding for United Nations operational activities had more than doubled in real terms during the period 1995-2010 but regretted that ODA from the OECD/DAC countries had declined by 2.7 per cent in 2011. The imbalance between core and non-core funding should be rectified and the predictability, reliability and stability of funding flows should be enhanced. His delegation also welcomed the system-wide improvements to the resident coordinator system and the strengthened focus on support for capacity-building in programme countries. It appreciated the active involvement of United Nations bodies in women's empowerment, as demonstrated by the establishment of UN-Women, and viewed the five thematic priorities and five core principles established by the Under-Secretary-General and Executive Director of UN-Women as a good starting point.

77. His delegation welcomed the excellent collaboration between the Government and the United Nations country team operating in Ukraine, in particular UNDP, UNFPA and UNICEF; the latter, in particular, had helped the national authorities to create a favourable environment for children in the country, especially with regard to child health, HIV/AIDS, child protection and advocacy. Excellent work had been done by all the agencies' country teams in preparing his country's programme documents for the period 2012-2016, ensuring that they were consistent with the Government's economic reform programme for the period 2010-2014, the MDGs and the Ukraine-United Nations Partnership Framework for 2012-2016.

78. **Ms. Melnikovich** (Belarus) said that her delegation supported the focus that United Nations operational funds had placed on achieving concrete results with respect to development and governance and welcomed UNDP efforts to enhance national capacities, strengthen the resident coordinator system

and harmonize programme activities with national priorities.

79. One of the most important issues being debated within the United Nations system was the need to strengthen financial support for middle-income countries, which were unique in that while they had experienced the greatest economic growth over the past decade, they nevertheless contained two-thirds of the world's poor. Success in achieving the MDGs would largely be determined in those countries, and it was therefore incumbent upon the United Nations system to work jointly with them through flexible cooperation mechanisms.

80. It was essential that any new programming model should maintain the relative distribution of core resources between developing and middle-income countries. Her delegation supported a balanced and differentiated approach to the issue of the United Nations' physical presence on the ground, including in middle-income countries, and believed that decisions should be based on an assessment of a given country's need for ODA and on the effectiveness and relevance of United Nations country offices and agencies. Negotiations concerning the distribution of resources should take into account the interests of all categories of countries while ensuring that programme countries received the core resources that they needed in order to successfully implement their programmes.

81. The decreasing share of core resources was cause for concern as it compromised the effectiveness and coherence of the work of operational agencies. Therefore, substantive talks should be held in order to address the issue of "critical mass". Her delegation was in favour of a transparent donor system and called on donor countries to refrain from selectivity in their aid distribution.

82. The resolution on the quadrennial review to be adopted by the General Assembly should reflect the aforementioned principles and recommendations, including the predictability and stability of operational activities; the absence of conditionalities; the continued presence of United Nations bodies in countries requiring assistance, including middle-income countries; the elimination of imbalances between core and non-core resources for operational activities; the continuation of ODA as a major source of development funding; the inclusion of Member States in the management of donor and thematic funds;

the flexibility of the UNDAF mechanism in addressing specific challenges on the ground; the role of the UNDAF in the mobilization of resources; and the adoption of more effective measures to reduce administrative costs in United Nations country offices.

83. **Ms. Knight** (Observer for New Zealand) said that her Government had maintained its level of core funding to the funds and programmes of the United Nations and believed strongly that core funding was the primary mode of support for the Organization's development activities. To improve the United Nations system through the quadrennial review, results must be harmonized across the system using more robust indicators and improved monitoring and evaluation. Lessons learned should be used to develop common programming, joint action plans and common budgetary frameworks and the executive boards of the funds and programmes should adopt a single approval process.

84. Her delegation recognized the JNDG efforts to strengthen United Nations leadership at country level and endorsed the statements made by the representatives of Canada and Australia on the issues of gender equality and women's empowerment; all development must be inclusive, particularly of women and persons with disabilities.

85. The transition from relief to development should be viewed from a more nuanced perspective based on the normative principles underlying United Nations operations, including human rights, gender equality and inclusiveness. Her delegation supported the efforts to strengthen the coordination and coherence of the support provided by United Nations entities to small island developing states. Mainstreaming issues of concern to those States into the operational activities of the United Nations would allow them to benefit fully from the support of the United Nations development system and allow the Organization to better tailor its services to their special needs and priorities.

86. **Mr. Escalona Ojeda** (Observer for the Bolivarian Republic of Venezuela) said that there should be no "one size fits all" approach to development and that assistance should be tailored to each country's needs, specificities, strategies and plans with due respect for the sovereignty and territorial integrity of States. Voluntarism, neutrality, impartiality and multilateralism should be reaffirmed as the guiding principles of operational activities for development and

recipient Governments should assume the primary responsibility for coordinating those activities.

87. Operational activities for development must be integrated into the mandates of United Nations funds and programmes in order to ensure that the latter operated within their mandates. Care should be taken to implement paragraph 273 of the outcome document of Rio+20, "The future we want", by transferring technologies to developing countries; during the negotiations on that document, his delegation had sought unsuccessfully to include a statement that the developed countries should fulfil their commitment to promote forms of technology transfer that did not encourage technological dependence but accorded preferential treatment to developing countries. The funds and programmes were not relief agencies; their activities must be geared towards long-term development and donor countries must honour their commitment to ensure the permanence, stability and predictability of resources.

88. Lastly, his delegation believed that South-South cooperation and its principles were vital for mutual, conditionality-free cooperation, thereby distancing itself from the Paris Declaration on Aid Effectiveness. It was also essential to strike a balance between core and non-core resources and to ensure that the latter did not replace the former.

89. **Mr. Rahman** (Bangladesh) said that the Council's preparatory discussion on the review was taking place at the confluence of a number of important processes. Implementation of the Istanbul Programme of Action, the development agenda beyond 2015 and the Rio+20 outcome document would require greater involvement of the United Nations development system, especially the funds and programmes. The system had made remarkable progress on the ground in response to legislative guidance from the General Assembly, the Council and the executive boards of the United Nations system organizations and was an important partner in the efforts of programme countries, such as Bangladesh, to implement their development strategies. Multiple crises, climate change, widening resource gaps, health problems and unemployment continued to threaten the developing countries' progress. The funds and programmes must work harder to address the challenges faced by those countries and relied on their continued and strengthened support in the effort to achieve the MDGs and implement the Istanbul Programme of Action.

90. The resident coordinator system should be strengthened with an appropriate mandate, adequate resources and a built-in vertical and horizontal accountability mechanism. The resident coordinator selection process should be further refined to ensure that candidates for the position had the leadership qualities required for cooperation, coordination and coherence on the ground among all the United Nations agencies and other development partners. It was also important to appoint qualified candidates from developing countries. Her Government stood ready to share its experience in managing large programmes while avoiding fragmentation and duplication.

91. **Mr. Wang Min** (China) said that his delegation appreciated United Nations development system efforts to implement General Assembly resolution 62/208 on the triennial comprehensive policy review of operational activities for development of the United Nations system. Public funding was at the core of international development cooperation and the current downward spiral of financing for development might undermine the effectiveness of the United Nations development system. UNDAF formulation and implementation should be based on the principle of national ownership and leadership and on conditions in the recipient countries.

92. All parties involved in development assistance should increase their core donations and improve the quality of non-core resources. He welcomed the positive role played by the resident coordinator system in coordinating the work of United Nations agencies and ensuring consistency with the development priorities of recipient countries. The recruitment, employment, performance evaluation and accountability of resident coordinators should be more comprehensive and they should be able to disseminate national implementation modalities, give preference to local experts and technology and take effective measures to help the recipient country benefit from the assistance received.

93. He welcomed the success and potential of the "Delivering as one" initiative and believed that countries should be able to choose the modes of development assistance that they received on the basis of their national conditions and needs. The United Nations system should also explore ways of strengthening coordination, improving efficiency and providing targeted assistance to countries and should

avoid the adoption of a "one size fits all" approach to development assistance endeavours.

94. He was pleased to see that the developing countries had made a great deal of progress in economic and technological cooperation and he called on the United Nations development system to provide policy and financial support for South-South cooperation without weakening or diluting the role of North-South cooperation. He welcomed the increasing role of the United Nations in supporting capacity-building and development in recent years and hoped that the development system would continue to strengthen its efforts in developing countries in terms of policy coherence and resource support.

95. **Mr. Cancela** (Observer for Uruguay) said that it was important to increase core resources for United Nations operational activities for development, ensure a balance between core and non-core resources and the predictability of programmes, align activities with the priorities of developing countries and recognize the role of the United Nations in middle-income countries. A country's level of development should not be measured solely by its economic growth; many middle-income countries still faced major challenges of inequality, poverty and democratic governance and were characterized by weak institutions, public safety issues and lack of transparency in their justice systems. It was therefore important for them to continue to benefit from the expertise, knowledge and field presence of the United Nations system.

96. The resident coordinator should be given the power to strengthen the coordination of United Nations activities in programme countries and to ensure national ownership of development programmes. It was important to fully implement the management and accountability system, ensure mutual accountability within country teams and strengthen the UNDG regional teams.

97. **Ms. Mesquita Borges** (Observer for Timor-Leste) said that the quadrennial review should reflect the lessons learned since the 2007 triennial comprehensive policy review and improve the delivery and effectiveness of United Nations operational activities for development. Like many least developed countries, Timor-Leste would not be able to achieve the MDGs by 2015 and would be relying on the Istanbul Programme of Action for further support.

98. Although her country had benefited from a strong development partnership with the United Nations, several aspects of the Organization's operational engagement in the transition from relief to development in post-conflict settings required improvement. In order for aid to be effective, it should be delivered in a predictable manner and have the ability to respond quickly to changing situations on the ground. Resources should be spread equitably and aid should be able to reach even the more inaccessible areas of the country. United Nations activities should lay the foundation for inclusive economic development, including sustainable livelihoods, employment and effective management of natural resources.

99. Given that development was impossible without peace and peace was impossible without development, capacity-building activities must reflect country-specific characteristics and challenges and programmes should be country-led and country-owned. Women had a special role to play in the transition from relief to development in post-conflict settings as powerful agents of peace and potential drivers of economic growth and development. The success of development activities also depended on the establishment of both short- and long-term engagement strategies and policies.

100. Timor-Leste was a member of the Group of Seven Plus, the country-owned and -led global mechanism for monitoring, reporting and drawing attention to the unique challenges faced by fragile States, and had endorsed the New Deal for Peace and Engagement in Fragile States, which provided a new approach to aid delivery based on national ownership and vision. The quadrennial review provided an opportunity to improve on the delivery of United Nations operational activities for maximum benefit.

101. **Ms. Dowlatchahi** (Food and Agricultural Organization of the United Nations), speaking also on behalf of the International Labour Organization, said that both organizations fully supported the United Nations system-wide coherence agenda. It was important to seek high-quality leadership in resident coordinators and to ensure that the expertise available in the United Nations system was fully leveraged for strategic coordination. Funding for the resident coordinators' offices should be reviewed in order to reflect the technical and knowledge-based support provided to the resident coordinators by the country

teams and the structure of those offices should be clearly defined in order to ensure that the cost of the resident coordinator system did not reduce the resources destined for development programmes in programme countries.

102. Efforts to implement the functional firewall and the management and accountability system should be scaled up. The Food and Agricultural Organization of the United Nations (FAO) and the International Labour Organization (ILO) recognized that the "Delivering as one" initiative could not be implemented with a "one size fits all" approach. During the quadrennial review, the comparative advantage of the United Nations system should be leveraged to enable the specialized agencies to perform their regulatory, standard-setting, normative, knowledge generation and management roles; South-South and triangular cooperation should be recognized as central to United Nations modalities in supporting country-level programming; and the sustainability and predictability of core and non-core resource flows should be ensured.

103. **Mr. Rahman** (United Nations World Tourism Organization) said that while there had been progress in the implementation of General Assembly resolution 62/208, enhancing system-wide coordination and coherence remained a work in progress. The experience gained and the lessons learned from the 30 "Delivering as one" pilot countries should help to ensure further coherence and coordination. To that end, efforts to improve programme countries' access to the knowledge base, expertise and skills of the non-resident agencies and to promote enhanced engagement of non-resident agencies in country programming based on the 2010 UNDAF guidelines should be strengthened.

104. The United Nations World Tourism Organization (UNWTO) believed that the benefits of coordination outweighed the costs and was encouraged by its members' positive assessment of those benefits. As a small, non-resident agency, it felt that the principle of fairness should be observed through a funding option that reflected each agency's direct involvement based on the proportion of services used. UNWTO was being severely penalized in its payments to the United Nations Department of Safety and Security owing to the application of a minimum threshold under which any agency, regardless of its size or the services used, must pay the same amount.

105. UNWTO services included the promotion of ecotourism and sustainable tourism. International tourism continued to show sustained growth and create new employment opportunities despite the challenging global economic conditions. In 2011, international tourism receipts had exceeded US\$1 trillion for the first time and had grown by 3.8 per cent in real terms. An additional US\$196 billion in receipts from international passenger transport had brought the total value of exports generated by international tourism in 2011 to US\$1.2 trillion.

106. **The President** drew attention to the report of the Executive Board of the United Nations Development Programme, the United Nations Population Fund and the United Nations Office for Project Services on its work during 2011 (E/2011/35); the report of the Administrator of the United Nations Development Programme and of the Executive Directors of the United Nations Population Fund and the United Nations Office for Project Services (E/2012/5); the annual report of the Executive Board of the United Nations Children's Fund (E/2012/6-E/ICEF/2012/3); the annual report of the Executive Board of the World Food Programme for 2011 (E/2012/14); the reports of the Executive Board of the United Nations Children's Fund on the work of its first regular session of 2012 (E/2012/34 (Part I)-E/ICEF/2012/7 (Part I)), the work of its annual session of 2012 (E/2012/34 (Part II)-E/ICEF/2012/7 (Part II)) and the work of its second regular session of 2012 (E/2012/34/Rev.1-E/ICEF/2012/7/Rev.1); the addendum to the report of the Executive Board of the United Nations Children's Fund on the work of its first regular session of 2012 on the joint meeting of the Executive Boards of the United Nations Development Programme/United Nations Population Fund/United Nations Office for Project Services, the United Nations Children's Fund, the United Nations Entity for Gender Equality and the Empowerment of Women and the World Food Programme (E/2012/34 (Part I)/Add.1-E/ICEF/2012/7 (Part I)/Add.1); the report of the Executive Board of the World Food Programme on its first and second regular sessions and annual session of 2011 (E/2012/36); and the extract from the report of the Executive Board of the United Nations Children's Fund on the work of its 2012 annual session (5-8 June 2012) on decisions adopted by the Executive Board at its annual session of 2012 (E/2012/L.7) and suggested that the Council should take note of them.

107. *It was so decided.*

108. **The President** said that the United Nations development system was the largest multilateral development partner; its operational activities had accounted for one third of all ODA in 2010. However, its continued relevance could not be taken for granted in a changing global environment characterized by many new actors in development cooperation and growing economic and financial uncertainty in many donor countries; its future success depended on its continued ability to respond effectively to that new environment and to the wide-ranging needs of programme countries.

109. Adapting to change required Member States and United Nations entities to take stock of and reflect on the delivery of capacity development at regular intervals and the quadrennial comprehensive policy review provided the opportunity for such reflection. The operational activities segment had driven home the message that many programme countries expected the review to result in a genuine revitalization of the United Nations development system at the country level and in the establishment of a system geared towards meeting the demands of national ownership and national leadership by programme countries.

110. A development system that fit that vision should be able to systematically leverage the synergies among its members to maximize opportunities for efficiency; the "Delivering as one" pilot and self-starter countries had been striving to do so, despite the hindrances of inflexible programming instruments, complicated coordination mechanisms at country level, disparate business practices and fragmented governance arrangements at headquarters level. During the quadrennial review process, the participants must examine critically the sustainability of the current funding architecture of the United Nations development system, determine whether the Organization had lost too much of its multilateral character owing to its heavy reliance on extra-budgetary resources, launch a structured dialogue on the future funding of operational activities and carefully analyse the critical mass of core resources required.

The meeting rose at 6.25 p.m.